

KANSAS MEDICAID STATE PLAN

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Method and Standards for Establishing Payment Rates: Nursing Facilities Nursing Facility Quality Enhancement Wage Pass-Through Program

Quality Enhancement Wage Pass-Through Instructions for Completing Quarterly Audit Reports

Purpose:

The purpose of this report is to verify the additional costs of enhancements made through this pass-through program.

General Instructions:

1. Complete all forms accurately and legibly, following the instructions for each page of the report.
2. Make additional copies of pages if there are not enough lines available on one sheet.
3. Complete the provider information at the top of each sheet.
4. It is not necessary to submit reports for enhancements that the facility did not utilize (i.e. if only wage enhancements were made, then it is not necessary to complete the report pages for benefits enhancements or new staff enhancements).

Submittal Instructions:

1. Send two copies of the completed Quality Enhancement Wage Pass-Through Quarterly Report, and one copy of the supporting documentation to the following address:

Kansas Department on Aging
Attention: Dave Halferty, Nursing Facility Rate Setting
New England Building
503 S. Kansas Avenue
Topeka, Kansas 66603-3404

2. Questions concerning completion and submission of these forms should be directed to the Nursing Facility Rate Setting Division, Administrative Services Commission at (785) 296-8620.
3. The reports are due no later than 45 days after the end of each calendar year quarter. Failure to submit the reports shall result in termination from the program and the repayment of all wage enhancement pass-through moneys received during the quarter for which the report has not been submitted.

<u>Quarter Ending Date</u>	<u>Report Deadline</u>
30-Sep-99	15-Nov-99
31-Dec-99	14-Feb-00
31-Mar-00	15-May-00
30-Jun-00	14-Aug-00

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Instructions for completing Part I: Wage Enhancements

- (1) Employee Name The employee's name as it appears on the payroll register.
- (2) Social Security # The employee's social security number.
- (3) POS. The employee's position classification. Please use one of the following codes: Nurse aides (NA), medication aides (MA), restorative-rehabilitative aides (RA), licensed mental health technicians (LMHT), plant operating and maintenance personnel (PO), non-supervisory dietary personnel (DIET), laundry personnel (L), housekeeping personnel (HK), and non-supervisory activity staff (AS).
- (4) Type Indicate the type of wage enhancement given: Increased hourly rate (IR), or bonus (B). For bonuses do not complete columns 5-8.
- (5) Enhanced Hrly Rt Employee's enhanced hourly rate of pay.
- (6) Prior Hrly Rt Employee's hourly rate of pay before enhancement.
- (7) Enhancement Hourly rate enhancement. Column 5-Column 6.
- (8) Hours Worked Hours worked at enhanced rate of pay for this quarter.
- (9) Total Enhancement Total enhancement amount paid to this employee for this quarter. Column 8 multiplied by column 7, or bonus paid for quarter.
- (10) Subtotal of Enhancements Total of all enhancement amounts listed in column 9.
- (11) Added Benefits Costs of Wage Enhancements Added costs of Social Security, unemployment insurance contributions, retirement benefits etc., caused by increasing the employee's wages. Use the Benefits Costs Schedule below to calculate this cost.

Benefits Costs Schedule

Subtotal of Enhancements

Amount on line (10) of report.

Employer Percentage of Benefits

x _____

Enter the employer's percentage of benefits and payroll taxes in decimal form (15% = 0.15). This includes the Social Security Tax (FICA), the unemployment insurance contributions, retirement benefits etc. It is acceptable to divide the total benefit lines by the total salary lines in the last cost report (MS2004) submitted, to determine the employer's benefits percentage.

Added Benefits Costs of Wage Enhancements

Product of Subtotal of Enhancements and Employer Percentage of Benefits

- (12) Total Costs for Part I: Wage Enhancements Sum of Line 10 and Line 11. The total costs of wage enhancements and added benefits costs caused by these enhancements.

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Instructions for completing Part II: Benefits Enhancements

- | | |
|---|--|
| (1) Employee Name | The employee's name as it appears on the payroll register. |
| (2) Social Security # | The employee's social security number. |
| (3) POS. | The employee's position classification. Please use one of the following codes: Nurse aides (NA), medication aides (MA), restorative-rehabilitative aides (RA), licensed mental health technicians (LMHT), plant operating and maintenance personnel (PO), non-supervisory dietary personnel (DIET), laundry personnel (L), housekeeping personnel (HK), and non-supervisory activity staff (AS). |
| (4) Type | Indicate the type of benefits enhancement given: Increased monthly benefits contribution (IC), or new benefits (NB). |
| (5) Enhanced Benefits | Employer's monthly cost of employee's enhanced benefits. |
| (6) Prior Benefits | Employer's monthly cost of employee's benefits before enhancement. |
| (7) Total Enhancement | Employer's total cost for enhancing this employee's benefits for this quarter. Difference between column 5 and column 6 multiplied by the number of months the increased benefit was paid this quarter. |
| (8) Total Costs for Part II:
Benefits Enhancements | Total of all enhancement amounts listed in column 7. |

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Instructions for completing Part III: New Staff Enhancements

- | | |
|--|--|
| (1) Employee Name | The employee's name as it appears on the payroll register. |
| (2) Social Security # | The employee's social security number. |
| (3) POS. | The employee's position classification. Please use one of the following codes: Nurse aides (NA), medication aides (MA), restorative-rehabilitative aides (RA), licensed mental health technicians (LMHT), plant operating and maintenance personnel (PO), non-supervisory dietary personnel (DIET), laundry personnel (L), housekeeping personnel (HK), and non-supervisory activity staff (AS). |
| (4) FT/PT | Indicate whether this position is full-time (FT) or part-time (PT). |
| (5) Hourly Rate | Employee's hourly rate of pay. |
| (6) Hours Worked | Hours worked for this quarter. |
| (7) Total Enhancement | Total enhancement amount paid to this employee for this quarter. Column 8 multiplied by column 7, or bonus paid for quarter. |
| (8) Subtotal of Enhancements | Total of all enhancement amounts listed in column 7. |
| (9) Added Benefits Costs of New Staff Enhancements | Added costs of Social Security, unemployment insurance contributions, retirement benefits etc., caused by adding this employee. Use the Benefits Costs Schedule below to calculate this cost. |

Benefits Costs Schedule	
Subtotal of Enhancements	
Amount on line (8) of report.	
Employer Percentage of Benefits	K _____
Enter the employer's percentage of benefits and payroll taxes as a decimal amount. This includes the Social Security Tax (FICA), the unemployment insurance contributions, retirement benefits etc. It is acceptable to divide the total benefit lines by the total salary lines in the last cost report (MS2004) submitted, to determine the employer's benefits percentage.	
Added Benefits Costs of New Staff Enhancements	
Product of Subtotal of Enhancements and Employer Percentage of Benefits	

- | | |
|---|--|
| (10) Total Costs for Part III: New Staff Enhancements | Sum of Line 8 and Line 9. The total costs of new staff enhancements and added benefits costs caused by these enhancements. |
|---|--|

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<small>State of Kansas Department of Social and Rehabilitative Services/ Department on Aging</small>		
Quality Enhancement Wage Pass-Through Quarterly Audit Report Summary of Part I, II, and III Enhancements		
Provider Information		
Provider Name/Facility Name	Ending Date of Qtr	10 Digit Provider ID Number
Street Address or Post Office Box		Phone Number
City	State	Zip Code
<p>1) Total Costs of Wage Enhancements \$ _____ (From Part I: Wage Enhancements)</p> <p>2) Total Costs of Benefits Enhancements \$ _____ (From Part II: Benefits Enhancements)</p> <p>3) Total Cost of New Staff Enhancements \$ _____ (From Part III: New Staff Enhancements)</p> <p>4) Total Costs of Enhancements \$ _____ (Sum of Lines 1, 2, and 3)</p> <p>5) Total NF or NF-MH Resident Days for Quarter _____ (From AU3902 Census Forms)</p> <p>6) Per Diem Cost of Enhancements \$ _____ (Line 4, divided by Line 5)</p>		
<p>ADDITIONAL DOCUMENTATION: Submit copies of payroll registers, the State Unemployment Tax (SUTA) form, and the Quality Enhancement Wage Pass-Through Turnover Report for the quarter. Failure to submit the quality enhancement reports by 45 days after the end of the calendar quarter, will result in termination from the program and recoupment of all amounts received under the wage pass-through for this reporting period.</p> <p>CERTIFICATION: I certify that this information is correct and the enhancement costs can be verified by the attached payroll records.</p>		
SIGNATURE OF ADMINISTRATOR		LICENSE NUMBER
		DATE
SIGNATURE OF PREPARER (IF DIFFERENT)		TITLE
		DATE

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Quality Enhancement Wage Pass-Through Quarterly Turnover Report						PROVIDER NUMBER	
LN#	(1) SALARY CLASSIFICATION	(2) BEGINNING # OF EMPLOYEES	(3) EMPLOYEES HIRED	(4) EMPLOYEES TERMINATED	(5) ENDING # OF EMPLOYEES	(6) HOW MANY FROM (5) ARE: FULL-TIME PART-TIME	
1	NURSE AIDES						
2	MEDICATION AIDES						
3	RESTORATIVE-REHABILITATION AIDES						
4	LICENSED MENTAL HEALTH TECHNICIANS						
5	PLANT OPERATING/MAINTENANCE PERSONNEL						
6	NONSUPERVISORY DIETARY PERSONNEL						
	LAUNDRY PERSONNEL						
	HOUSEKEEPING PERSONNEL						
9	NONSUPERVISORY ACTIVITY STAFF						

Instructions for completing the Turnover Report

Column 2- Show the total number of employees at the beginning of the report period for each classification.

Column 3- Show the total number of employees hired during the report period for each classification.

Column 4- Show the total number of employees who ended employment during the cost report period for each classification.

Column 5- Show the total number of employees at the end of the report period for each salary classification.

Column 6- From the total number of employees listed in column 5, show how many are full-time and how many are part-time.

The number of employees listed in column 2, plus the number of employees listed in column 3, less the number of employees reflected in column 4, should equal column 5. Please explain any discrepancy.

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Method and Standards for Establishing Payment Rates: Nursing Facilities
Nursing Facility Quality Enhancement Wage Pass-Through Program

As Amended by House Committee

As Amended by Senate Committee

Session of 1999

SENATE BILL No. 126

By Committee on Public Health and Welfare

1-25

12 AN ACT establishing the quality enhancement wage pass-through pro-
13 gram for nursing facilities.

14

15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. (a) Notwithstanding any provision of law to the contrary,
17 and within the limits of appropriations therefor, the secretary of social
18 and rehabilitation services and the secretary on aging shall establish a
19 quality enhancement wage pass-through program as part of the state med-
20 icaid plan to allow nursing facilities electing to participate in such program
21 a payment option of not to exceed \$4 per resident day designed to in-
22 crease salaries or benefits, or both, for those employees providing direct
23 care and support services to residents of nursing facilities. The categories
24 of employees eligible to receive the wage pass-through are the follow-
25 ing: Nurse aides, medication aides, restorative-rehabilitation aides, li-
26 censed mental health technicians, ~~hydration and nutrition aides~~, plant
27 operating and maintenance personnel, nonsupervisory dietary personnel,
28 laundry personnel, housekeeping personnel and nonsupervisory activity
29 staff. The program shall establish a pass-through wage payment system
30 designed to reimburse facilities during the reimbursement period in
31 which the pass-through wage payment costs are incurred.

32 ~~(2)~~ (b) Nursing facilities shall have the option to elect to participate
33 in the quality enhancement wage pass-through program. The wage pass-
34 through moneys are to be paid to nursing facilities outside of cost center
35 limits or occupancy penalties as a pass-through labor cost reimbursement.
36 The pass-through cost shall be included in the cost report base.

37 ~~(2)~~ (c) The quality enhancement wage pass-through program shall
38 require quarterly wage audits for all nursing facilities participating in the
39 program. The quarterly wage audits will require facilities to submit cost
40 information within 45 days of the end of each quarter reporting on the
41 use of the wage pass-through payment under the quality enhancement
42 wage pass-through program. This quarterly wage audit process shall be
43 used to assure that the wage pass-through payment was used to increase

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